

WC 05-201

McDermott Will & Emery

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Christine M. Gill
Attorney at Law
cgill@mwe.com
202.756.8283

May 20, 2005

VIA FEDEX

Ms. Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
Wireline Competition Bureau, CPD 214-Applications
P.O. Box 358145
Pittsburgh, PA 15251-5145

Federal Communications Commission
C/O Mellon Client Service Center
500 Ross Street, Room 670
Pittsburgh, PA 15262-0001
(Attention: FCC Module Supervisor)

Re: In the Matter of the Joint Application of Black Hills Corporation, PrairieWave Communications, Inc., et al for Authority Pursuant to Section 214 of the Communications Act, as Amended, to Transfer Black Hills FiberCom, Inc.'s Domestic Section 214 Authority

Dear Ms. Dortch:

On behalf of Black Hills Corporation, Black Hills Fiber Systems, Inc. f/k/a Black Hills FiberCom, Inc., Black Hills FiberCom, L.L.C., and PrairieWave Communications, Inc. ("PrairieWave"), enclosed please find an original and six (6) copies of an application for Commission approval to transfer control of Black Hills FiberCom, Inc.'s domestic Section 214 authorization to PrairieWave as a result of PrairieWave's purchase of all of the stock of Black Hills Fiber Systems, Inc.

Also enclosed is a check in the amount of \$895.00 payable to the Federal Communications Commission to cover the filing fee required for this application under line 2.b of Section 1.1105 of the Commission's rules.

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. If you have any questions concerning this application, please do not hesitate to contact me at 202.756.8283.

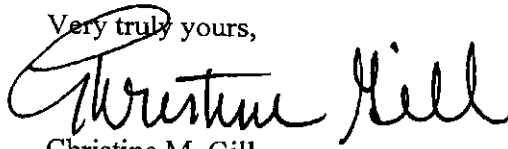
Ms. Marlene H. Dortch, Esq.

C/O Mellon Bank

May 20, 2005

Page 2

Very truly yours,

A handwritten signature in cursive script, reading "Christine M. Gill". The signature is fluid and elegant, with a large initial "C" and a long, sweeping "G".

Christine M. Gill

Enclosure

cc: Jeffrey A. Beuche
William P. Heaston

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 1

(1) LOCK BOX # 358145

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card)
McDERMOTT WILL & EMERY LLP

(3) TOTAL AMOUNT PAID (U.S. Dollars and cents)
\$895.00

(4) STREET ADDRESS LINE NO. 1

600 Thirteenth Street, N.W.

(5) STREET ADDRESS LINE NO. 2

(6) CITY

Washington

(7) STATE

DC

(8) ZIP CODE

20005-3096

(9) DAYTIME TELEPHONE NUMBER (include area code)

(202) 756-8283

(10) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(11) PAYER (FRN)

0003774346

IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)
COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(13) APPLICANT NAME

PrairieWave Communications, Inc.

(14) STREET ADDRESS LINE NO. 1

5100 South Broadband Lane

(15) STREET ADDRESS LINE NO. 2

(16) CITY

Sioux Falls

(17) STATE

SD

(18) ZIP CODE

57108

(19) DAYTIME TELEPHONE NUMBER (include area code)

(605) 965-9368

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(21) APPLICANT (FRN)

0007263247

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

CUT

(25A) QUANTITY

1

(26A) FEE DUE FOR (PTC)

\$895.00

(27A) TOTAL FEE

\$895.00

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

(28B) FCC CODE 1

(29B) FCC CODE 2

SECTION D - CERTIFICATION

CERTIFICATION STATEMENT

I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.

SIGNATURE _____

DATE _____

SECTION E - CREDIT CARD PAYMENT INFORMATION

MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____

ACCOUNT NUMBER _____

EXPIRATION DATE _____

I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.

SIGNATURE _____

DATE _____

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of the Application of)	
)	
BLACK HILLS CORPORATION, BLACK)	File No. ITC-T/C-_____
HILLS FIBER SYSTEMS, INC., AND)	
BLACK HILLS FIBERCOM, L.L.C.,)	WC Docket No. _____
Transferors)	
)	
and)	
)	
PRAIRIEWAVE COMMUNICATIONS, INC.,)	
Transferee)	
)	
Consolidated Application for Consent to Transfer)	
Control of a Company Holding an International)	
Authorization and a Blanket Domestic)	
Authorization Pursuant to Section 214 of the)	
Communications Act of 1934, as Amended.)	

To: International Bureau and Wireline Competition Bureau

JOINT APPLICATION

PrairieWave Communications, Inc. ("PrairieWave"), Black Hills Corporation, Black Hills Fiber Systems, Inc. (fka Black Hills FiberCom, Inc.), and Black Hills FiberCom, L.L.C. ("Black Hills FiberCom"), by their attorneys and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the "Act"), and Sections 63.04 and 63.24(e) of the Commission's Rules, 47 CFR §§ 63.04, 63.24(e), hereby jointly request authority to transfer control of Black Hills FiberCom, Inc.'s domestic and international Section 214 authorizations to PrairieWave.

The transfer of control will occur as a result of PrairieWave's acquisition of all of the stock of Black Hills Fiber Systems, Inc. Upon the consummation of this transaction,

Black Hills Fiber Systems, Inc. and its subsidiaries, including Black Hills FiberCom, will become wholly owned subsidiaries of PrairieWave. The proposed transaction will transfer control over Black Hills FiberCom, Inc.'s domestic Section 214 authorization, held pursuant to the FCC's blanket authority under Section 63.01 of the FCC's rules, 47 C.F.R. § 63.01. Further, the proposed transaction will transfer control over Black Hills FiberCom, Inc.'s global Section 214 authorization, which the FCC granted in File No. ITC-214-19990625-00428 on August 4, 1999. Because the proposed transaction is a sale of stock, it will not cause a reduction or impairment of service to Black Hills FiberCom's customers. The proposed transaction will also transfer control over wireless licenses pursuant to Section 310(d) of the Communications Act of 1934, as amended, which are the subject of related applications.

The Applicants file this consolidated Joint Application for the proposed transfer of control of the domestic and international Section 214 authorizations. In Section IV of this Joint Application, the Applicants provide the information required by Sections 63.18 and 63.24 of the Commission's rules for transfer of the international authorization. As specified by Section 63.04(b) of the FCC's rules, 47 C.F.R. § 63.04(b), the Applicants provide the additional information required for the transfer of the domestic Section 214 authorization in Exhibit A.

The Applicants respectfully request streamlined treatment of this Joint Application pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03, 63.12. The domestic and international components of this Joint Application qualify for streamlined processing because the Applicants are not dominant carriers.

I. APPLICANTS

A. Black Hills

Black Hills Corporation, a South Dakota corporation, is a diversified energy company and a public utility holding company under the Public Utility Holding Company Act of 1935, as amended. Black Hills Corporation, with its subsidiaries, operates in non-regulated wholesale energy and retail services. The retail services include communications operations provided through its subsidiaries Black Hills Fiber Systems, Inc. and Black Hills FiberCom, L.L.C.

Black Hills Fiber Systems, Inc., a South Dakota corporation, is the parent of Black Hills FiberCom, L.L.C.

Black Hills FiberCom, L.L.C., a South Dakota limited liability company, is a competitive local exchange carrier ("CLEC") and the primary communications subsidiary of Black Hills Corporation. The headquarters of the company is 809 Deadwood Avenue, PO Box 1400, Rapid City, SD 57709. Black Hills FiberCom offers broadband telecommunications services, including local and long distance telephone services, expanded cable television service, cable modem Internet access and high-speed data and video services, to approximately 27,000 residential and business customers located in Rapid City and the northern Black Hills region of South Dakota. Black Hills FiberCom delivers its communications services over the fiber optic and coaxial cable network it has deployed throughout its serving area. Black Hills FiberCom also provides local and long distance services through unbundled network element and resale arrangements with other telecommunications carriers.

B. PrairieWave Communications, Inc.

PrairieWave Communications, Inc. is a Delaware corporation with headquarters at 5100 South Broadband Lane, Sioux Falls, South Dakota 57108. PrairieWave Communications, Inc. is the parent of PrairieWave Community Telephone, Inc. (a rural ILEC) and PrairieWave Telecommunications, Inc. (a CLEC) providing cable television, exchange and exchange access service, high-speed and dial-up Internet access and collocation in Iowa, Minnesota and South Dakota. PrairieWave provides communications services over its own fiber optic, copper and coaxial cable facilities throughout its service area. PrairieWave also provides interexchange services through resale arrangements with other carriers.

II. DESCRIPTION OF THE TRANSACTION

On April 20, 2005, PrairieWave, Black Hills Corporation, Black Hills Fiber Systems, Inc., and certain direct, wholly owned subsidiaries of Black Hills Fiber System, Inc. signed a stock purchase agreement. This agreement will result in PrairieWave owning 100% of the stock of Black Hills Fiber Systems, Inc. and its subsidiaries, including Black Hills FiberCom, L.L.C. The closing of the transaction is contingent on, among other things, receipt of necessary regulatory approvals. The parties would like to close no later than June 30, 2005. A diagram showing the corporate structure of PrairieWave both pre- and post-close is provided in Exhibit B.

III. PUBLIC INTEREST STATEMENT

The transfer of control of Black Hills FiberCom to PrairieWave will serve the public interest, convenience, and necessity. While the proposed transaction will benefit the customers of these two CLECs and enhance competition in the telecommunications industry, it will not raise any anti-competitive issues.

Local consumers will benefit from the proposed consolidation because these two strong CLECs share a similar serving strategy, customer focus, and rural market commitment. Following the transfer, Black Hills FiberCom and PrairieWave will continue to provide high-quality communications services to their customers at the same rates, terms, and conditions. The transfer of control will occur without any reduction or impairment of service and will otherwise be completely transparent to the customers.

The combination of these leading regional competitive telecommunications providers will also enhance competition in the telecommunications industry. The proposed transaction will increase the scope of each of the existing companies and should enable the combined companies to compete more effectively in the highly competitive market for telecommunications services. The combined companies will benefit from increased economies of scale that will permit them to operate more efficiently and thus realize substantial financial synergies that should enable the combined companies to increase their operating income and free cash flow. While the transaction will provide these synergies, it will not increase the combined companies' market power. Given the difficulties with which the competitive telecommunications industry is now struggling, the consolidation of PrairieWave and Black Hills FiberCom in this manner will benefit rural customers in South Dakota.

At the same time, the proposed transaction does not raise any anti-competitive issues. PrairieWave and Black Hills FiberCom are non-dominant carriers that will continue to compete with Qwest and other local competitors in the local and long distance markets. Thus, the combination of PrairieWave and Black Hills FiberCom under one umbrella company will not have a negative impact on competition.

**IV. REQUEST TO TRANSFER CONTROL OF INTERNATIONAL SECTION
214 AUTHORIZATION UNDER SECTION 63.24**

In support of this Joint Application, the Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18(a)-(d) and (h)-(p), 47 C.F.R. §§ 63.18(a)-(d), (h)-(p), 63.24(e):

(a) Name, address and telephone number of Applicants:

PrairieWave Communications, Inc. (Transferee)
5100 South Broadband Lane
Sioux Falls, SD 57108
Tel: (605) 965-9368
Fax: (605) 965-7867
FRN: 0007-2632-47

Black Hills Corporation (Transferor)
PO Box 1400
625 Ninth Street
Rapid City, SD 57709
Tel: (605) 721-1700
Fax: (605) 721-2550
FRN: 0013-5048-73

Black Hills Fiber Systems, Inc.
PO Box 2115
809 Deadwood Avenue
Rapid City, SD 57709
Tel: (605) 721-2000
Fax: (605) 721-2400
FRN: 0013-4862-38

Black Hills FiberCom, L.L.C.
PO Box 2115
809 Deadwood Avenue
Rapid City, SD 57709
Tel: (605) 721-2000
Fax: (605) 721-2400
FRN: 0006-5554-03

(b) PrairieWave is a corporation organized under the laws of the State of Delaware. PrairieWave's telecommunications affiliates, PrairieWave Community Telephone, Inc. and PrairieWave Telecommunications, Inc., are South Dakota corporations. Black Hills

Corporation and Black Hills Fiber Systems, Inc. are South Dakota corporations. Black Hills FiberCom is a South Dakota limited liability company.

(c) Contact persons concerning this Application are:

Transferee:

William P. Heaston
General Counsel
PrairieWave Communications, Inc.
5100 S Broadband Lane
Sioux Falls, SD 57108
Tel: (605) 965-9894
Fax: (605) 965-7867
Email: wheaston@prairiewave.com

Transferor:

Steven Helmers	Christine M. Gill
General Counsel	McDermott Will & Emery, LLP
Black Hills Corporation	600 Thirteenth Street, NW
PO Box 1400	Washington, DC 20005-3096
Rapid City, SD 57709	Tel: (202) 756-8283
Tel: (605) 721-1700	Fax: (202) 756-8087
Email: shelmers@bh-corp.com	Email: cgill@mwe.com

(d) Black Hills FiberCom, Inc. holds global Section 214 authority to provide international services on a resale basis, granted on August 4, 1999, in File No. ITC-214-19990625-00428.¹ PrairieWave Communications holds global Section 214 authority to provide international services on a facilities and resale basis, granted on August 9, 2002, in File ITC-T/C-20020618-00346.

(h) The following are the only entities that directly or indirectly own ten percent (10%) of more of the equity of PrairieWave:

Name:	Alta Communications VIII, L.P.
Address:	200 Clarendon Street, 51st Floor Boston, Massachusetts 02116
Citizenship:	USA
Percentage Owned:	42%
Principal Business:	Investment

¹ Black Hills FiberCom, Inc. subsequently changed its name to Black Hills Fiber Systems, Inc.

Name: BancAmerica Capital Investors I, L.P.
Address: 100 N. Tryon Street, 25th Floor
Charlotte, North Carolina 28255
Citizenship: USA
Percentage Owned: 45%
Principal Business: Investment

(i) As evidenced by the certification attached hereto as Exhibit C, PrairieWave is not a foreign carrier and is not currently affiliated with a foreign carrier.

(j) As evidenced by the certification attached hereto as Exhibit C, PrairieWave does not seek to provide international telecommunications services to any destination country for which: (1) PrairieWave is a foreign carrier in that country; (2) PrairieWave controls a foreign carrier in that country; (3) any entity that owns more than 25 percent of PrairieWave, or controls PrairieWave, controls a foreign carrier in that country; (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of PrairieWave and are parties to, or the beneficiaries of, a contractual relationship that affects the provision or marketing of international basic telecommunications services in the United States.

(k) Section 63.18(k) is not applicable. PrairieWave is not affiliated with any foreign carrier.

(l) Section 63.18(l) is not applicable. PrairieWave is not a foreign carrier and is not affiliated with a foreign carrier.

(m) Section 63.18(m) is not applicable. PrairieWave is not a foreign carrier and is not affiliated with a foreign carrier.

(n) As evidenced by the certification attached hereto as Exhibit C, PrairieWave has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

(o) As evidenced by the certifications attached hereto as Exhibit C, no party to this Joint Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

(p) PrairieWave submits that this Joint Application for Section 214 authority to acquire control of Black Hills FiberCom, an authorized international carrier, qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules because PrairieWave is not affiliated with either a foreign carrier or a dominant U.S. carrier whose international switched or private line services PrairieWave seeks authority to resell, and PrairieWave does not seek authority to provide switched basic services over

private lines to a country for which the Commission has not previously authorized the provision of such services.

V. CONCLUSION

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Joint Application.

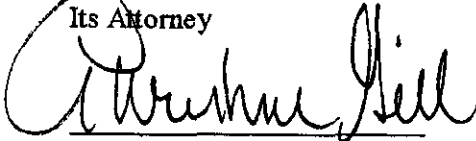
Respectfully submitted,

PrairieWave Communications, Inc.



William P. Heaston
VP, General Counsel
5100 South Broadband Lane
Sioux Falls, SD 57108
Tel: (605) 965-9894
Fax: (605) 965-7867
wheaston@prairiewave.com

Its Attorney



Christine M. Gill
Keith A. McCrickard
McDERMOTT WILL & EMERY
600 Thirteenth Street, NW
Washington, DC 20005-3096
202.756.8000

Counsel for Black Hills Corporation,
Black Hills Fiber Systems, Inc., and
Black Hills FiberCom, L.L.C.

Date: May 19, 2005

LIST OF EXHIBITS

EXHIBIT A	Additional Information for Transfer of Control of Domestic Section 214 Authorization
EXHIBIT B	Current and Post-Close Structure of PrairieWave
EXHIBIT C	Certifications

EXHIBIT A

ADDITIONAL INFORMATION FOR TRANSFER OF CONTROL OF DOMESTIC SECTION 214 AUTHORIZATION

In accordance with the requirements of Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04(b), the Applicants submit the following additional information required for the domestic Section 214 transfer of control application:

63.04(a)(6) The Applicants describe the transaction in Section II of this Joint Application.

63.04(a)(7) The Applicants describe the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area, in Section I of the Joint Application.

63.04(a)(8) This Joint Application is presumptively eligible for streamlined processing because (i) the proposed transaction will result in PrairieWave having a market share in the interstate, interexchange market of less than 10 percent; (ii) PrairieWave will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (iii) neither the Applicants nor any of their affiliates are regulated as dominant with respect to any service.

63.04(a)(9) In connection with this Joint Application, PrairieWave and Black Hills FiberCom will submit an application requesting authority to transfer control of a Private Land Mobile Radio Service license under call sign WPQK308. PrairieWave and Black Hills Fiber Systems, Inc., the direct parent of Black Hills FiberCom, will also submit an application to transfer control of Broadband Radio Service licenses under call signs WMH813, WMH817, WMI825, and WMI884 and Educational Broadband Radio Service licenses under call signs WMX632 and WMX635. Following consummation of the transaction, PrairieWave and Black Hills FiberCom will notify the FCC of the transfer of control of a Domestic Fixed Satellite Service receive-only earth station registered under call sign E990030.

63.04(a)(10) The Applicants do not request special consideration because no party to the transaction is facing imminent business failure.

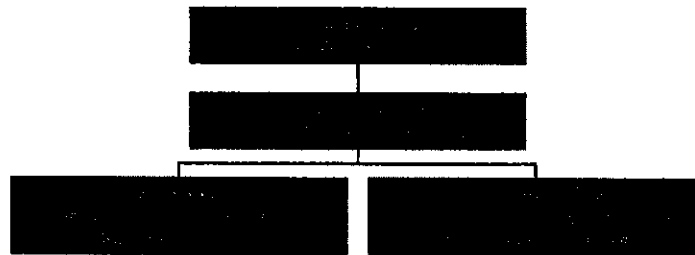
63.04(a)(11) The Applicants do not seek any waivers in conjunction with the transaction.

63.04(a)(12) The Applicants provide a statement showing how grant of the transfer of control will serve the public interest, convenience, and necessity in Section III of this Joint Application.

EXHIBIT B

CURRENT AND POST-CLOSE STRUCTURE OF PRAIRIEWAVE

PrairieWave Communications, Inc.
Organization Chart
Pre-Close



PrairieWave Communications, Inc.
Organization Chart
Post Close

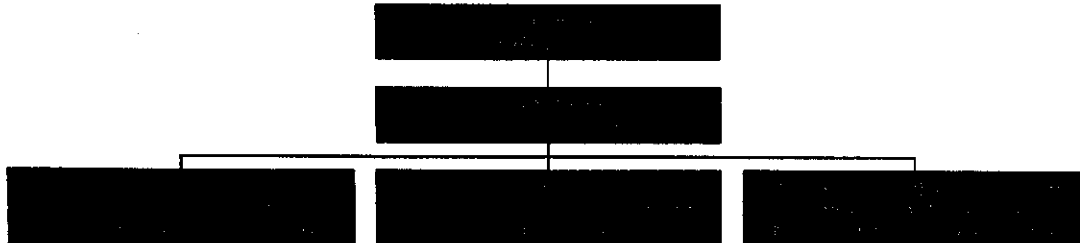


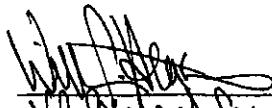
EXHIBIT C
CERTIFICATIONS

CERTIFICATION

The undersigned hereby certifies, on behalf of PrairieWave Communications, Inc. with respect to the foregoing application to transfer control of authority to provide domestic and international services, that:

1. PrairieWave is not a foreign carrier and is not currently affiliated with a foreign carrier.
2. PrairieWave does not seek to provide international telecommunications services to any destination country for which: (1) PrairieWave is a foreign carrier in that country; (2) PrairieWave controls a foreign carrier in that country; (3) any entity that owns more than 25 percent of PrairieWave, or controls PrairieWave, controls a foreign carrier in that country; (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of PrairieWave and are parties to, or the beneficiaries of, a contractual relationship that affects the provision or marketing of international basic telecommunications services in the United States.
3. PrairieWave has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
4. PrairieWave is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

PrairieWave Communication, Inc.

By: 
Title: VP, General Counsel
Date: 5/17/05

CERTIFICATION

The undersigned hereby certifies, on behalf of Black Hills Corporation with respect to the foregoing application to transfer control of authority to provide domestic and international services, that Black Hills Corporation is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

Black Hills Corporation

By: 

Title: PRESIDENT & COO - RETAIL BUS. SEGMENT

Date: 5/18/05

CERTIFICATION

The undersigned hereby certifies, on behalf of Black Hills Fiber Systems, Inc. with respect to the foregoing application to transfer control of authority to provide domestic and international services, that Black Hills Fiber Systems, Inc. is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

Black Hills Fiber Systems, Inc.

By: 

Title:

President & COO

Date:

5/18/05

CERTIFICATION

The undersigned hereby certifies, on behalf of Black Hills FiberCom, L.L.C. with respect to the foregoing application to transfer control of authority to provide domestic and international services, that Black Hills FiberCom, L.L.C. is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

Black Hills FiberCom, L.L.C.

By: 

Title:

PRESIDENT & COO

Date:

5/18/05